

EXHIBIT ZZ

Arctic Cat Breaks the Rules

2004 Sno-Pro Unveiled in April 2003!

* STAFF REPORT *

Think things are changing in the sno-mo world? You bet they are. In the past twelve months we've seen the most dramatic shift in market share percentages in more than a decade. Emission standards have been formalized. 4-stroke snowmobiles are a reality. Ski-Doo so dominated the world of snocross racing they left almost nothing on the table for their competitors to brag about. Without a doubt, the success of the limited build racing REV created unprecedented demand for their 2004 MX-ZX 440 REV.

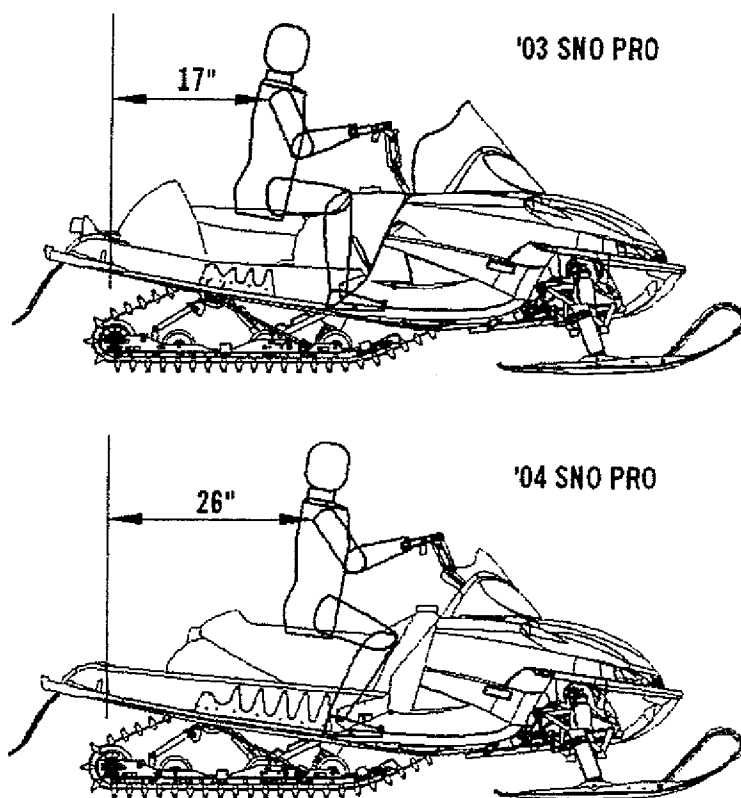
In response to this last reality, Arctic Cat blew our socks off this April when our FAX machine ground out a press release and basic line drawings covering their radically altered 2004 Sno Pro 440. Never before has Arctic Cat (or anyone else) pulled the sheets off top secret race weaponry this early.

Just exactly why would Arctic Cat, so competitive in snocross racing and so secretive about their latest technology reserved for limited build racers, essentially steal their own show by letting specific details go public on a sled bristling with new tech?

The Answer Is Simple

Ski-Doo's REV racer was so dominant in competition last season it became clearer every weekend you had to race a rider forward, stand up snowmobile to be competitive. Sure, Arctic Cat won some races and they're to be commended for doing so but the writing appeared on the wall very early in the 2002/2003 season. If you wanted to win in snocross, the REV was the best way to do it.

We have to take our helmets off to Arctic Cat. They're not interested in the status quo, the way things have been done in the past or any written or unwritten rules proclaiming "You can't do it that way." They knew there was too much potential for Ski-Doo to attract talent away from their camp for the coming 2003/2004 race season. Although the 2003 Sno-Pro was a great sled, it wasn't



The diagrams sent out in April show a new Sno-Pro 440 with the rider moved forward nine inches in the seated position. This moves considerable mass to the front and changes the balance point for the sled when it's pivoting corners in race situations.

a full stand up design. This meant AC would need to re-think the Sno-Pro and massage it's components to morph the package into a full stand-up, rider forward racer.

The stakes here are high. Why? Every informed observer knows Arctic Cat inevitably sells what they race. The Firecat platform has only seen one year of production and it's tooling can't possibly be paid for yet. If the Thief River Falls maker showed a radically altered

Firecat/Sno-Pro on race tracks this winter, consumers would surely draw a line through this sled and into AC showrooms. In other words, buyers would expect a consumer version of the new racer in MY 2005. Again, there is much at stake for Arctic Cat as a result of changing their racer so radically for 2004. Compounding this risk is the expectations which inevitably crop up when the sheets are pulled off something

radical way in advance of its introduction Dealers could be unsettled by talk of a new style Arctic Cat snowmobile - potentially destined for consumer consumption. This might not be good marketing when showrooms are being stocked with 2004 Firecats - deliberately patterned after the current 2003 Sno-Pro 440.

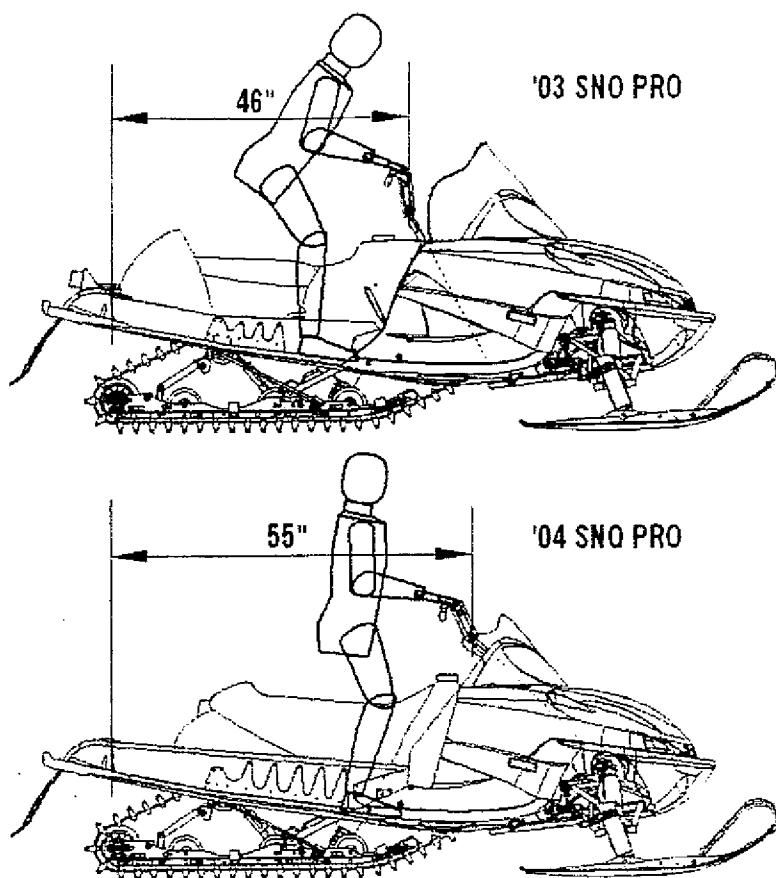
So What's the Big Deal?

Here's what we've seen thus far. By the time you read this mag the annual ISR Racing Press Conference will have witnessed the unveiling of the actual limited build 440 Sno-Pro for '04. At this writing the Sno-Pro has gone full rider forward. The driver's footrests now sit directly above the front arm snubbers and well ahead of the front swingarm's mounting point on the rails. The handlebars are shoved an amazing 9 inches forward and seven inches higher - leaving them sticking right out of the instrument cluster! The tunnel appears widened, deepened and flattened in the footrest area and the seat is now moved way further forward as a result of a new 5 gallon racing fuel tank design. As well, the seat is raised a full six inches to more clearly emulate ergonomics pioneered by the REV.

The 2004 Sno-Pro will have its bulkhead tipped 2 degrees to improve drive axle clearance and to alter front end geometry creating more aggressive turn in - something the Firecat based Sno-Pro has struggled with for two years as a 440. The chassis appears to use bigger tunnel gussets and the release indicates the entire tub/tunnel has been beefed-up. The deeper tunnel points to the use of AC's planetary drive system but the release indicates the Sno-Pro will use a new 15 wide chain. Hmnn? Could be a finger to throw us off!

Track lug wars escalate again with the announcement of 1.7 inch lug track! Wow! Front suspension shocks are Fox Zero-X with rebound and compression clickers. The rear end will see another generation of Arctic's Cross Link system with rebound adjustability. In a radical move, Arctic Cat will throw a Team Industries captured roller secondary on the 440 - abandoning their own roller driven pulley developed from years of race track testing.

The 2004 Sno-Pro receives a claimed 45 HP injection from a three port exhaust passage and a new pipe to improve low end power. How much can the OEMs squeeze out of a 440, you ask? If this info is even remotely accurate, the 2004 Sno-Pro could approach the 105 HP mark this year. Keep in mind, that's on 110 octane, \$6.00 per gallon race fuel.



Moving the rider forward necessitated changes to the steering pole and underhood steering mechanism. The seat and gas tank are also considerably different. Arctic Cat claims the rider forward layout won't be adapted to consumer sleds. We think it's inevitable; just not this year.

Most interesting from an aesthetic perspective is the arrival of a revised hood and belly pan for the Sno-Pro. While the line drawings shown here clearly display the current Firecat based hood/belly, we think the new look Sno-Pro may move closer to the REV's insect-like, pared and shaved look.

Deep Thinking

Clearly, the AC brain trust has thought this move out carefully. This announcement means a couple of important things are happening at Arctic Cat. First, there's no lessening of their commitment to be race driven and to produce competitive, race winning snowmobiles. This underscores a more important reality which ultimately hits at the heart of AC's commitment to this biz. With rumblings coming from some corners of the industry, the snowmobile business is not a

profitable place to be right now. Arctic Cat is boldly proclaiming the naysayers wrong. We like that.

Snowmobile racing is a highly competitive sport. Selling snowmobiles is a highly competitive business. No less than a 100% commitment to winning in each arena is required in model year 2004.

Realities largely uncovered by Arctic Cat in the early and mid 1990's still ring perfectly true in the snowmobile industry. The legendary Roger Skene, Vice President of AC Engineering and a snowmobile visionary of heroic proportions said this to SUPERTRAX about ten years ago: "Chase a good racing snowmobile around and you'll ultimately make a better production snowmobile." Roger is known for profound, succinct pronouncements on the sport.

That's about as profound as it gets. ▲